GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:521
ANSWERED ON:28.02.2008
RATIONALISATION OF SUBSIDY FOR PHOSPHATE FERTILIZERS
Thomas Shri P.C.

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Fertilizers and Chemicals Travancore Ltd.(FACT) has sought rationalization of subsidy for phosphate fertilizers in a more scientific way;

(b) if so, whether the present system is to give subsidy for all producers in uniform manner;

(c) if so, the details thereof;

(d) whether there is demand from FACT for giving subsidy for sulphur component;

(e) if so,whether any request has been received from the FACT for providing special grant in aid or assistance for Caprolactum and Ammonium Sulphate; and

(f) if so, the response of the Government and the action taken in this regard thereto?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF CHEMICALS 8B FERTILIZERS AND MINISTER OF THE STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS.(SHRI B.K. HANDIQUE)

(a) to (f) The Government had received request from Fertilizers and Chemicals Travancore Ltd. (FACT) for adoption of recommendations of Tariff Commission received in 2003 for nutrients `N` & P` for price concession on factomphos (NPKS : 20:20:0:13), adequate compensation for increase in price of sulphur and contribution loss on account of ammonium Sulphate.

The requests have been examined and Government has decided to provide one time interim grant of Rs.200 crore to be made available to FACT to enable it to sustain its operations.

The present system to give price concession on subsidized phosphatic fertilizers is based on the decision taken by the Government on Tariff Commission`s recommendations given in 2003. Fresh Tariff Commission`s recommendations received in December, 2007 are under examination of the Government.